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# Food Marketing NEWSLETTER

U. S. Department of Agriculture  
Midwest Area, Information Office

Agricultural Marketing Service  
536 South Clark St., Chicago 5, Ill.

January 5, 1954

## PRICES

Sharp increase in hog prices mainly responsible for raising Index of Prices Received by Farmers 1% during month ended December 15. Parity Index (prices paid, wages, interest, taxes) went up 1/3 of 1% during same period. Parity Ratio went up 1% from 90 to 91. Prices Received down 6% from year earlier. Compared with November 15, livestock prices up; crop, milk, eggs, and chicken prices down. Food, fuel and household furnishings up, clothing and building materials down, to keep index of family living expense at same level since September.

Although production and employment in general business and industry are lower, USDA economists say "further declines in economic activity in coming months are expected to be moderate." Investment in new plant and equipment down only slightly from record rate in fall, construction expected to continue at high rate, government expenditures at all levels expected to stay about same, reduction in income tax rates will keep up spendable income of consumers.

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USDA HAS NOTIFIED BANKS THEY WILL NOT BE REQUIRED TO SURRENDER IN JANUARY CERTIFICATES OF INTEREST IN COMMODITIES OWNED BY CCC. BANKS HELD \$826 MILLION WORTH OF CERTIFICATES AT END OF DECEMBER. SIGNIFICANCE OF ANNOUNCEMENT IS THAT FARMERS ARE PUTTING GRAINS UNDER PRICE SUPPORT LOAN (ABOUT \$1.5 BILLION AS OF OCT. 31) AND NOT REDEEMING.

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## VEGETABLES

USDA has proposed revisions in standards for green corn and for canned peas, for consideration of trade. Green corn has grown rapidly in importance to \$43 million product, with methods of harvesting and marketing making improvement, so present standards do not provide for packing better quality product now being produced. Main change raises requirements for U. S. Fancy, and adds U. S. No. 2 grade. Standards for canned peas defines sizes, makes minor changes in requirements for maturity, tenderness, color, and defects. Grades remain same.

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## DROUGHT RELIEF

Three counties in Kentucky and one in Virginia added to drought disaster areas, where farmers eligible to buy feed at reduced prices. Total of 697 counties in 18 states now included, about 24% of total counties in U.S. Requests for feed continue to come from eligible farmers and ranchers at rate of 80,000 or more tons per week. Shipments out of stocks of cottonseed feed, corn, oats, and feed-quality wheat owned by government about parallel to requests. More than 1,200,000 tons of feed requested, approximately 1 million tons shipped. (Figures do not include hay.)

In response to request by Secretary of Agriculture, Southern railroads have agreed to continue 50% rate on shipments of hay to drought areas until January 31; Western railroads will continue until March 31.

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USDA OFFERED THIS WEEK TO BUY 12 MILLION LBS. UNREFINED LARD FOR SHIPMENT TO GERMANY.

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## WOOL

USDA reassured wool producers and trade last week that wool sheared or pulled any time during 1954 would be eligible for price support, although actual operations under '54 wool price support program do not begin until April 1. Average price support level for all wool is minimum of 52.1 cents per pound, grease basis, with final determination to be based on March 15 parity index.

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### CCC

Commodity Credit Corporation offers following commodities for sale in U.S. during January: Nonfat dry milk solids, butter, cheese, cottonseed oil, linseed oil, olive oil, peanuts, lima beans, flaxseed, barley, grain sorghums, and rye (feed only) corn, wool, and seeds of principal grasses and cover crops. For export sale, following commodities are offered: wheat, corn, cottonseed oil, linseed oil, olive oil, peanuts, nonfat dry milk solids, butter, cheese, beans, seeds of grasses and cover crops. Sales during 1953 up to December 11, amounted to \$88 million for exports and \$84 million for domestic use.

\* \* \*

U.S. HAS ARRANGED BARTER DEAL INVOLVING FERTILIZER AND AGRICULTURAL PRODUCTS VALUED AT ABOUT \$2.2 MILLION. THROUGH COMMERCIAL EXPORT FIRM, U.S. WILL SHIP FARM COMMODITIES TO EUROPE: EUROPEAN COUNTRIES WILL SHIP NITROGEN AND PHOSPHATE FERTILIZER TO KOREA FOR USE IN REHABILITATION WORK THERE. FOREIGN OPERATIONS ADMINISTRATION WILL REPAY CCC FOR COMMODITIES.

\* \* \*

### GRAINS

Final dates for repayment of CCC loans on 1953 crops were announced last week, allowing additional day when maturity date falls on Sunday. Loans on winter cover crop seeds due on February 1; on edible beans in Michigan and New York, March 1; on grain sorghums, March 31; on wheat, oats, barley, rye, flaxseed, beans (except in Mich. and N.Y.) and rice, April 30; on soybeans, June 1; and on corn, July 1.

USDA Commodity Offices in Chicago, Kansas City, and Minneapolis sold 36,140 bushels of wheat for export as grain or flour during week ended December 31. For domestic use, sales included 1,115,116 bus. corn, 12,800 bus. wheat, 78,133 bus. soybeans, 562 bus. flaxseed, 1,420 bus. barley and 4,597 bus. oats.

\* \* \*

### DAIRY

USDA purchases of dairy products increased during last week of 1953, reflecting upward trend of milk production. Purchases December 28-31 to support prices of milk to farmers included 3,725,277 lbs. butter, 1,947,893 lbs. cheese, 9,465,016 lbs. dry milk solids.

Production of butter during week ended December 31 estimated at 24.6 million lbs. compared with 23.9 million previous week and 22.9 year ago.

USDA has made, proposes to make, or will consider proposals for, changes in several Midwest milk markets under Federal marketing orders. New pricing system took effect in Toledo on January 1, with approval of producers, increasing differential between prices for fluid milk and milk for manufacturing; net effect, about 8¢ per cwt. increase in prices received by farmers for Class I milk, compared with old pricing provisions.

Dairy farmers supplying Stark county, Ohio, will be asked to vote on change in pricing provision reducing price by 5¢ per cwt., to bring prices in line with those paid in Cleveland.

Meeting held in Gallipolis, Ohio, January 4 to consider possible changes in Tri-State marketing area, covering adjoining portions of Ohio, West Virginia, Kentucky. Farmers contend prices being depressed unduly under present order.

Hearing in Springfield, Ohio, January 8 to consider proposals to bring prices in Dayton-Springfield market in line with Cincinnati. Hearing requested by producer group.

Hearing scheduled January 11 in Louisville, Ky., to consider proposal by dealers for dropping price of milk used in butter and cheese.

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U. S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark Street, Chicago 5, Ill.

January 13, 1954

## FRUITS AND VEGETABLES

USDA joins with industry in special promotion program to stimulate consumption of grapefruit January 14-23, and winter pears January 28 to February 6. Growers associations providing store banners, recipe booklets, restaurant menu clip-ons etc. USDA enlisting cooperation of retail outlets, restaurants, press, radio, television.

Estimates of citrus production for 53-4 season: Oranges: California, 37 million boxes, Florida, 82 million. Grapefruit: Florida 36 million, other states, 6 million. Lemons, California 13 million boxes.

Production of vegetables for fresh market during present winter season estimated 5% smaller than year ago, but slightly over average of past 4 years, 1,470,000 tons. Cabbage, carrots, celery down most. Increases expected for sweet corn, lettuce, escarole, cucumbers, tomatoes, beets, artichokes.

Winter cabbage estimated at 327,000 tons this year compared with nearly 379,000 tons last year. Commercial onion acreage in spring states estimated at 57,000 acres, compared with 64,800 last year.

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"HIGHLIGHTS OF POTATO MARKETING" AIB 114, NEW USDA PUBLICATION DISCUSSES IN 56 PAGES HOW POTATOES ARE USED, WHERE GROWN, HOW STORED, PREPARED FOR MARKET, SHIPPED, AND RETAILED. BULLETIN EMPHASIZES CHANGES IN MARKET METHODS IN RECENT YEARS. AVAILABLE FROM USDA INFORMATION OFFICE, WASHINGTON 25, D.C.

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## POULTRY

During November, 16.1 million pounds of poultry went into canning, compared with 19.8 million year earlier. For 11 months of '53, canned poultry production was 168 million lbs. compared to nearly 176 million year earlier, decrease of 4%. Federal inspectors certified nearly 114 million lbs. for eviscerating during November, compared with 88 million lbs. during November '52.

Taking samples of egg at churn is most satisfactory method of determining quality of frozen eggs, USDA reports in research circular 932, "An Analysis of Commercial Frozen Egg Products." Research studies made by Poultry Branch of PMA (now AMS) to determine best methods of judging quality of commercial frozen eggs. Publication available from Office of Information, USDA, Washington 25, D.C.

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## FARMLAND PRICES

Farm real estate dropped average of 3% from July 1 to November 1 last year, with heaviest drops in states hit by drought. Drops in Midwest states ranged from 2% in Iowa to 5% in Indiana. Compared to past periods, national average prices were up 100% over 1912-14, up 147% over 1935-39 and up 21% over 1947-9.

\*\*\*

AS INDICATION OF POTENTIAL TURKEY PRODUCTION IN 1954, STATE AGENCIES TESTED 2,177,210 TURKEYS FOR PULLORUM DISEASE DURING LAST SIX MONTHS OF '53. INCREASE OF 4% OVER LAST YEAR. LIGHT BREEDS INCREASED 63%; HEAVY BREEDS DECREASED 5%.

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## DROUGHT RELIEF

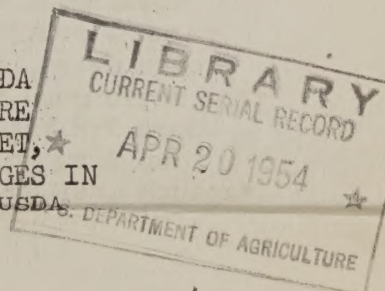
Up to end of 1953, USDA had shipped 959,358 tons of grain and cottonseed feed for sale at reduced prices to farmers and ranchers in drought disaster areas. Supplies came out of government owned stocks acquired through price support operations. Cottonseed and oat supplies about exhausted; corn and wheat still being offered. State governments procuring hay, with Federal government sharing shipping costs; no figures presently available on volume of shipments.

\*\*\*

## CCC

USDA Commodity Offices at Chicago, Minneapolis, and Kansas City last week reported sales of 1,323,253 bus. corn, 3,039 bus. oats, 49,378 bus. wheat, including 8,578 bus. for export, 13,807 bus. soybeans, 400 cwt. sweet clover seed and 100 cwt. milo.

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## GRAINS

Total supplies of feed grains stored on farms January 1 estimated at 76 million tons, about same as last year, considerably below peak of 89 million tons in 1949, but still considered very high, especially in view of smaller number of animals to be fed. Stocks of corn, 2,138 million bushels, represent over 74% of last fall's corn crop, above average percentage.

U.S. sold 5,509,000 bushels of wheat as grain or flour under International Wheat Agreement during period December 23 to January 5. Principal importing countries were Germany, Netherlands, Mexico, Cuba, Spain. International Wheat Council reports that through December 18, U.S. had sold 1,369 metric tons of wheat, Canada had sold 1,203 and Australia had sold 361 metric tons. France, also listed as an exporter of grain under I.W.A. had sold none. Japan was by far largest importer, accounting for over 20% of IWA shipments; Germany, Spain, South Africa, Netherlands, and Austria all with 8-10% of total shipments.

\* \* \*

USDA WILL OPEN NEW COMMODITY OFFICE IN CINCINNATI, FEBRUARY 15, TO HANDLE BUTTER, CHEESE, CANNED FOODS AND OTHER PROCESSED COMMODITIES. WILL ASSUME RESPONSIBILITIES FOR PROCESSED COMMODITIES NOW DIVIDED AMONG SIX OTHER OFFICES.

\* \* \*

## DAIRY

USDA last week (January 4-8) bought 6,630,605 lbs. butter, 4,060,494 lbs. cheese, 13,542,436 lbs. nonfat dry milk solids, to support milk prices to dairy farmers. Sales from government-owned stocks included 120,059 lbs. cheese.

U.S. Government sold 10 million pounds of nonfat dry milk solids to Japan last week. Of 639 million pounds acquired in past 13 months, Government has disposed of 207 million pounds through negotiated sales for export, school lunch, Army, or overseas welfare donations.

November production of nonfat dry milk solids over 68 million lbs. was highest for month in 19 years of record. Spray process accounted for 59 million lbs. Production of dry whole milk in November was 8.4 million lbs., 61% over year earlier.

\* \* \*

## LIVESTOCK AND MEATS

Production of meat this winter expected to be smaller than last winter. Fewer cattle and lambs on feed; hog production down. Number of hogs on farms at beginning of '54 smaller than usual, because '53 spring pig crop was short and marketings earlier than usual. Decline in meat production will be temporary, and increases later in year will bring total for '54 up almost to record level of '53 and higher than any other year. Hog prices several dollars higher now than year ago; expected to drop in fall as production increases. Cattle prices expected to increase slightly during year.

MEAT PRODUCTION DURING WEEK ENDED JANUARY 9 ESTIMATED AT 400 MILLION LBS., 27% OVER PREVIOUS WEEK BUT 5% BELOW YEAR AGO. HOG SLAUGHTER INCREASED OVER RECENT WEEKS TO 1,201,000 HEAD, BUT 25% BELOW YEAR AGO WHICH WAS PEAK OF SEASON. CATTLE SLAUGHTER 385,000 HEAD 26% ABOVE PREVIOUS WEEK, 20% ABOVE YEAR AGO.

U. S. Government bought 10 million lbs. of lard this week for shipment to Germany by Foreign Operations Administration. Average cost was 18.64¢ at shipside.

\* \* \*

## FATS AND OILS

Peanuts stored off farms November 30 totaled 1,159 million lbs., 31% above same date year ago, largest in three years. Disappearance of shelled peanuts, including those crushed for oil and meal, was 203 million lbs. in three months of 1953 season, about 7% less than year ago.

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U.S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark St., Chicago 5, Ill.

January 19, 1954

## CCC

Wheat growers put more than 431 million bus. of last year's wheat crop under government price support, up to December 15, with six more weeks for obtaining price support loans. This figure compared with 342 million same date in 1952, when growers took out more loans during last six weeks to set record of 460 million bus. under price support. Up to same date, corn growers had placed 95 million bus. under price support, compared to 100 million bus. year earlier.

CCC had \$5,248 million invested in price support loans and inventories on November 30. Net loss in conducting price support programs from July 1 to November 30 was about \$84 million, compared with net loss of \$62 million for 12 months during fiscal year ending last June 30. Investment consisted about half of loans and other half of inventories of farm commodities taken over by CCC in settlement of earlier loans or bought to support farm prices.

CCC wants to buy 939 ventilating assemblies, consisting of fans and air ducts, to ventilate grain stored in Quonset type buildings in Nebraska.

BANKS OFFERED ANOTHER \$350 MILLION OF CERTIFICATES OF INTEREST IN POOLS OF PRICE SUPPORT LOANS BY CCC. BANKS ALREADY HAVE BOUGHT \$845 MILLION WORTH OF SUCH CERTIFICATES. BY THIS DEVICE, CCC OBTAINS MONEY FROM COMMERCIAL BANKS RATHER THAN FROM U. S. TREASURY.

USDA has accepted another 11,162,810 bus. of new grain storage capacity, making total of 274,400,571 bus. tentatively approved under program announced last summer to encourage commercial concerns to build more grain warehouses. Government agrees to use new grain storage space at regular rates for period of years; if not used, to pay for space at reduced rate.

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## GRAINS

World production of barley and oats in 1953-4 estimated at 129.8 million tons, about 1 million tons above estimate made four months ago, but 2% below large harvest of '52-53. Bad weather at harvest time reduced crops in Soviet. Near records in France, Italy, Sweden, Finland.

World production of bread grains (wheat and rye) estimated at 255 million tons, second largest in history.

From early December through January 6, CCC sold 373,962 bus. of wheat for export as grain and 482,029 bus. for export as flour under new export allowance program. Commercial exporters find buyers overseas, and purchase wheat from CCC stocks, in contrast to sales under International Wheat Agreement, in which wheat comes from stocks on free market. Government pays same allowance per bushel to encourage exports under both programs. IWA sales during week ended January 12 were 4,238,000 bus., making total of 62 million bus. since program started last July.

USDA has invited flour millers to trade flour for wheat. Flour to be delivered on or before February 13, to Gulf ports. Wheat is stored in Southwest and Plains areas. Trade to be strictly wheat for flour, with no money changing hands.

Total receipts of wheat, corn, and oats at principal markets from beginning of new-crop market season through January 14 were considerably smaller than same periods year earlier; receipts of rye, barley, and flaxseed larger than last year. However, receipts of wheat and corn during week ended January 14 were larger than same week year ago.

\*\*\*

FEBRUARY PLENTIFUL FOODS IN MIDWEST WILL INCLUDE WINTER PEARS, POTATOES, BROILER AND FRYER CHICKENS AS FEATURED ITEMS: BEEF, EGGS, GRAPEFRUIT, ORANGES, CRANBERRY SAUCE, RAISINS, PINTO AND RED KIDNEY BEANS, CABBAGE, LETTUCE, ONIONS, DAIRY PRODUCTS, PEANUTS AND PEANUT BUTTER, FOOD FATS AND OILS.

\*\*\*

## COLD STORAGE

USDA Advisory Committee on cold storage recommended study of seeds and plants to keep them dormant until planting time. Also recommended more studies on how long frozen foods will keep at various temperatures; chemical changes that take place in foods in storage; shrinkage, containers, and development of frozen concentrated milk.

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## POULTRY

U. S. hatcheries turned out record number of baby chicks last year, about 1,856,000,000, 4% above 1951 record and 7% above 1952. Record hatch in prospect for January, based on number of eggs in incubators January 1, 33% above year ago. Demand for chicks in broiler production is spotty, because of recent poor prices.

Turkey growers report to USDA that they intend to increase turkey numbers by 7% over 1953, raising about 59.6 million birds compared with 55.7 million last year. Production of heavy breeds would be boosted 6%, to 45.5 million, and light breeds increased 9% to 14.1 million. Relatively high price of turkeys and low price of feeds given as principal reason for intended increases.

\* \* \*

AVERAGE AMERICAN ATE MOST FOOD DURING PERIOD 1942-7.  
PER CAPITA FOOD CONSUMPTION HIT LOWPOINT IN 1935  
AND PEAK IN 1944. MONEY SPENT FOR FOOD HIT PEAK  
IN 1952. INFORMATION INCLUDED IN NEW PUBLICATION  
BY USDA "CONSUMPTION OF FOOD IN UNITED STATES 1909-52."

\* \* \*

## DAIRY

Dairy products took 51 billion pounds of whole milk in 1952, lowest since 1937, according to annual report just issued by USDA, "Production of Manufactured Dairy Products, 1952." Of total milk used for manufactured products, butter took 46% in 1952, compared to 69% in 1937; cheese took a record 23%, evaporated and condensed milk took 13%, ice cream used about 15%. "Statistical Bulletin 136" available from Agricultural Marketing Service, USDA, Washington.

USDA sold 30 million lbs. nonfat dry milk solids to United Nations Childrens Emergency fund last week, and 1 million lbs. butter to U. S. Army. UNICEF will send most of dry milk to Korea, Japan, elsewhere in Asia; previously had bought 45 million lbs. Latest butter sale to Army brings total to more than 16 million lbs. at 15 cents. USDA ready to sell to Veterans Administration at same price, but no actual transactions so far.

CCC bought over 28 million lbs. of dairy products to support price of milk to farmers last week. Purchases included 7,853,839 lbs. butter, 6,710,453 lbs. cheese, 13,764,095 lbs. nonfat dry milk solids. Out of stocks acquired earlier, sold 1,559,081 lbs. cheese to dairy trade.

Creamery butter production estimated at 26 million lbs. for week ended January 14, 1% below previous week, 13% above year ago. Production has been running about 33% above five-year average.

\* \* \*

## FRUITS AND VEGETABLES

USDA this week begins reporting receipts of apples at principal markets on weekly basis, to measure flow through markets. Report is experimental, and will be reported to growers by market newsmen. For week ending January 15, 327,339 bushels moved to markets, 85,000 to New York, 47,000 to Chicago, 18,000 to Cleveland, 21,000 to Detroit, 15,000 to Kansas City, 13,000 to St. Louis.

\* \* \*

QUARANTINE ON HOG SHIPMENTS REMOVED FROM LAST PORTIONS OF MICHIGAN AND TEXAS AS THOSE AREAS DECLARED FREE OF VESICULAR EXANTHEMA. AREAS REMAINING UNDER QUARANTINE BY USDA INCLUDE ENTIRE STATE OF CALIFORNIA, PORTIONS OF CONNECTICUT, MAINE; MASSACHUSETTS, NEW JERSEY, AND SPOTS IN NEW YORK AND PENNSYLVANIA. "VE" DISEASE COMMONLY TRACED TO FEEDING OF RAW GARBAGE TO HOGS.

Meat production under Federal inspection during week ended January 16 estimated at 406 million lbs. up 1% from week before, down 2% from year ago. Cattle slaughter continued at record high level for January, 393,000 head, 2% above previous week, 19% above year ago. Hog slaughter, 1,213,000 head, 1% above previous week but 20% below year ago.

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# Food Marketing NEWSLETTER

U.S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark St., Chicago 5, Ill.

January 27, 1954

## STORAGE

Nation's cold storage plants on December 31 held 2.3 billion pounds of foods in coolers and 2.6 billion pounds in freezers, new record high figure for frozen foods. Record was contributed to by larger-than-average supplies of frozen fruits, vegetables, butter, poultry, beef and veal. Stocks of butter and cheese went down slightly during December, but were still high; stocks of shell eggs were low, and frozen eggs were at lowest level for any December 31 on record since 1926. Cooler space was 64% occupied and freezer space 79% occupied, about same as year ago.

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FARM PRICES HAVE FIRMED UP SINCE MID-NOVEMBER, USDA REPORTS, ESPECIALLY ON HOGS, CORN, AND SOYBEANS. GENERAL BUSINESS ACTIVITY SLOWED SLIGHTLY DURING LAST QUARTER OF '53, WITH PRODUCTION ESTIMATED 2% BELOW HIGH POINT IN SECOND QUARTER OF YEAR, BECAUSE OF LARGE INVENTORIES IN SOME INDUSTRIES AND MODEL CHANGES IN AUTOMOBILE INDUSTRY. UNEMPLOYMENT INCREASED FROM LOW POINT OF 1.2 MILLION TO 1.8 MILLION IN DECEMBER.

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## GRAINS

Secretary of Agriculture last week announced national allotment of 46,995,504 acres for 1954 corn crop in "commercial corn producing area," which includes 834 counties in 22 states, concentrated in Midwest. Allotment is about 17% below acreage of corn planted in these counties last year. Agricultural Act requires acreage allotments in times of excess supplies except in emergencies; allotments last used in 1950. Corn growers in "commercial" counties must plant no more than allotments to be eligible for price support on corn.

Price support for 1954 soybeans will average \$2.22 per bushel, 80% of parity. Support level on '53 crop was \$2.56, reflecting 90% of parity. Support level reduced "to keep acreage in approximate balance with production needs without resort to acreage allotments." With acreage restrictions already announced for corn, wheat, cotton, tobacco, peanuts, USDA officials expect many farmers will plant more land to soybeans, increasing cost of supporting soybean prices.

U.S. sold 5.6 million bus. wheat under International Wheat Agreement during week of January 13-19, making total of 68 million bus. since last July. Under new export allowance program started in December, 438,379 bus. of CCC-owned wheat sold for export, mostly in form of flour, during week ended January 6. Cumulative sales, 1,294,365 bus.

USDA last week accepted 6 million bus. more of proposed new grain storage space to be built by commercial interests with USDA guaranteeing to use space for several years. Total of more than 288 million bus. given tentative acceptance. 67 million bus. of space canceled.

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USDA LAST WEEK TRADED \$1.5 MILLION WORTH OF GOVERNMENT OWNED FARM PRODUCTS TO EUROPE IN EXCHANGE FOR 29,000 TONS OF FERTILIZER TO GO TO KOREA. EIGHTH BARTER DEAL SINCE NOVEMBER 1, INVOLVING ABOUT \$15 MILLION WORTH OF USDA FARM PRODUCTS.

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## POULTRY

Turkey industry advisory committee, after studying USDA report showing turkey growers plan to produce 6% more heavy turkeys and 9% more light turkeys in '54, advised growers to produce no more heavy turkeys than in 1953 and no more light turkeys "than can be profitably marketed through normal commercial channels."

U.S. had about 2 $\frac{1}{2}$ % more laying hens on January 1 than on same date year earlier; expected to produce 3% more eggs during first few months of '54.

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## FATS AND OILS

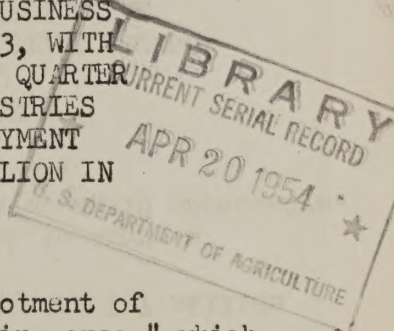
With smallest soybean crop in 4 years and export at record high levels, soybean prices have climbed well above support levels. Flaxseed prices below support levels and by December 15, 40% of crop had been placed under government loan.

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## COTTON

Through January 15, CCC had 6,015,639 bales of '53 crop and 1,712,555 bales of '52 crop cotton under price support loan.

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## FRUITS AND VEGETABLES

Onion supplies on January 1 were over 12 million sacks (50 lbs.) 61% above year ago and 32% above average for date. Michigan was second highest state, with 2 million sacks; New York first, with 3 million.

Potato stocks in late producing states on January 1 estimated at 120 million bus., about 6% above year ago, but 5% smaller than average. Potato growers in late and intermediate states reported they will cut acreage by 7% in 1954.

USDA proposing increases in rates charged for inspection of fresh and processed fruits and vegetables, with object of making services self-supporting. Proposed new rates would be about 1/3 higher for most services.

New standards proposed for asparagus to be used in canning or freezing, replacing standards in use since 1937. Would provide for shorter, thicker, greener spears in No. 1 and No. 2 grades, conforming more nearly to present practices.

\* \* \*

WORLD FARM PRODUCTION ABOVE PRE-WAR FOR SIXTH YEAR IN ROW;  
FOOD PRODUCTION PER PERSON HAS CLIMBED TO PRE-WAR LEVEL  
DESPITE 15% INCREASE IN POPULATION. PRODUCTION OF RICE,  
SUGAR, MEAT, ANIMAL FATS, CITRUS FRUIT AT ALL TIME HIGH  
LEVELS: WHEAT, POTATOES, BEANS, PEAS, DAIRY PRODUCTS, VEGETABLE  
OILS ALL HIGHER THAN AVERAGE.

\* \* \*

## DAIRY

USDA purchases of dairy products to support price of milk to farmers last week totaled 8,136,555 lbs. butter, 6,215,145 lbs. cheese, 13,600,809 lbs. nonfat dry milk solids. 93,469 lbs. cheese sold to trade.

Production of creamery butter during week ended January 14 estimated at 26.3 million lbs. Cheese production, 15.5 million lbs.

Confectioners invited to bid, beginning this week, on butter owned by USDA to be used experimentally as "extender" for cocoa butter used in making chocolate candy. Cocoa butter in short supply; possibility that cow's butter, after being converted to butter oil, can be mixed with cocoa butter to make satisfactory product. Bidders must give detailed information on how and where butter is to be used.

Two Midwestern dairy firms given contracts for repackaging about 10 million lbs. butter owned by USDA, from cartons averaging around 60 pounds to one-pound prints. Will be distributed to school lunch, state institutions and welfare outlets, making total of 83 million lbs. of butter to these outlets since last February.

\* \* \*

## SUGAR

During first 11 months of 1953, U.S. sugar industry distributed 7.7 million tons of sugar compared to 7.5 million in 11 months of '52.

Beet sugar processors attended hearing in Chicago last week to express opinions on USDA proposal to allocate quota of 1.8 million tons among 18 processors. Proposed quota compares with 1953 sales of about 1.75 million tons.

\* \* \*

NUMBER OF BEEF CATTLE ON FEED JANUARY 1 WAS 5.3 MILLION  
HEAD, 9% BELOW LAST YEAR BUT ALMOST 20% ABOVE AVERAGE.  
NUMBER IN CORN BELT, 4 MILLION WAS BELOW YEAR AGO BUT STILL SECOND  
HIGHEST ON RECORD. IOWA, NEBRASKA, ILLINOIS SHOWED SUBSTANTIAL  
DECREASES BUT OTHER CORN BELT STATES HAD MORE CATTLE ON FEED,  
MOSTLY LIGHT, ON FEED LESS THAN THREE MONTHS.

Meat production under Federal Inspection during week ended January 23 estimated at 383 million lbs., 6% below week earlier, 1% below year ago, principally because of bad weather which reduced marketings. Cattle slaughter 374,000 head, 5% below preceding week, 23% above last year; hog slaughter, 1,131,000 head, 7% below preceding week and 22% below year ago. January rate of slaughter lowest since 1946.

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# Food Marketing NEWSLETTER

U.S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark St., Chicago 5, Ill.

February 2, 1954

## FARM PRICES

Average of farm prices went up during month ending January 15, led by hogs, beef cattle, and vegetables, with small increases for lambs, chickens, wheat, and hay. January 15 index was 259 compared to 254 in mid-December and 268 year earlier. Index of prices paid by farmers also went up, to 282 compared to 278 in December and 284 in January '53. Parity ratio climbed one notch, to 92%. (1910-14 prices equal 100 in figuring Indexes.)

\*\*\*

AGRICULTURAL EXPORTS LAST NOVEMBER, 1953, \$280 MILLION, 16% ABOVE OCTOBER, 3% ABOVE NOVEMBER 1952, HIGHEST OF ANY MONTH SINCE DECEMBER, 1952. TOTAL EXPORTS FOR FIVE MONTHS, JULY-NOVEMBER, \$1,153 MILLION, 3% ABOVE SAME PERIOD YEAR EARLIER.

\*\*\*

## FRUITS AND VEGETABLES

USDA announced guides for '54 vegetable crops, suggesting 5% cut in vegetables for canning and freezing; 11% cut in melon acreage, 2% cut in acreage of fall vegetables for fresh consumption, 6% cut in acreage of late potatoes. Among Midwestern states, guides recommend same acreage as '53 for Ohio, Indiana, Illinois, Michigan, Iowa, Nebraska; reductions from 6 to 11% for others.

Supplies of fruits to be marketed during first half of '54, out of crops harvested in fall of '53 and current harvest in warm areas slightly larger than year ago. Consumer demand expected to hold up well at home, and export payments will help move oranges, grapefruit, winter pears and raisins, so USDA expects fruit prices generally to be close to high levels of early '53.

Demand for fresh vegetables expected to be about same in first part of '54 as in comparable period last year. Storage stocks of '53 potatoes, cabbage and onions are high. Increased production indicated for sweet corn, lettuce, cucumbers, tomatoes; smaller production of cabbage, carrots, celery, snap beans. With larger stocks of canned and frozen vegetables on hand, commercial canners and freezers may reduce their scale of operations slightly in '54. Early potato crop expected to be smaller this year, bringing higher prices, and drop expected in acreage of late potatoes, resulting from over-supply and low prices for '53 crop.

U.S. imported during year ended June 30, 1953, 87 different fruits, vegetables, and nuts from foreign countries. 50 million bunches of bananas made largest bulk. List includes many uncommon crops; cashew fruits, cassava, citrons, garbanzos, guavas, mamey fruit, and waterlily roots.

USDA has proposed changes in standards for watermelons and for frozen strawberries and frozen apples, to bring official standards closer to practices in use by industry. Opinions may be submitted to Fruit and Vegetable Division, Agricultural Marketing Service, U.S.D.A., Washington 25, D. C.

\*\*\*

USDA EXPECTS SOYBEAN ACREAGE TO BE INCREASED THIS YEAR, BUT SAYS, BECAUSE OF RECORD STOCKS OF FOOD FATS AND OILS NOW ON HAND, NO INCREASE IS NEEDED. SUPPORT PRICE WILL BE LOWER AND MARKET PRICE EXPECTED TO DROP IF ACREAGE IS INCREASED.

\*\*\*

## NUTRITION

Average homemaker eats only about 1780 calories per day, USDA found in recent study; considerably less than previously thought needed for good health. One of many studies summarized in annual report of USDA Bureau of Human Nutrition and Home Economics for '53.

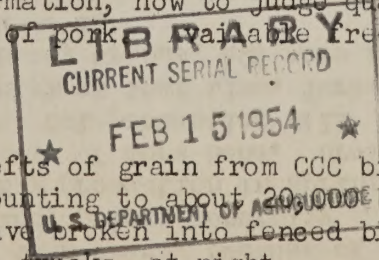
"Pork Facts for Consumer Education" Information Bulletin No. 109, 24 pages, summarizes history, amounts used, market information, how to judge quality in buying, suggestions on cooking, canning, freezing of pork. Available free from Office of Information, USDA, Washington.

\*\*\*

## GRAIN

CCC offers reward of \$500 for information on thefts of grain from CCC bins. In recent months, 43 thefts have been discovered, amounting to about 20,000 bushels of grain, mostly corn in Midwest. Thieves usually have broken into fenced bin sites, broken locks on bin doors and loaded corn into trucks, at night.

U.S. had 1-1/3 billion bushels of wheat on hand January 1, biggest stocks on record at beginning of year. Corn stocks, 2.7 billion bus., within 10 million bus. of record set January, 1950. Oats and barley, below average. Total supplies of feed grains, 94.8 million tons, 4% above year ago, but smaller than Jan. 1 supplies in 1949, '50, '51.





POULTRY

Egg prices in mid-January had gone down less than usual, because of good demand by consumers and commercial egg breakers; prices generally about same as in mid-December and January, '53. Egg production in spring months expected to be about 3% above year ago because of more hens. Broiler prices recovered from drop around Christmas season, but production will increase through March, probably reaching record high at that time. Turkey growers on January 1 had 7% fewer turkey hens of heavy breeds, 40% more hens of light breeds. Heavy birds outnumber light by 4 to 1.

USDA is considering boosting fees for inspecting and grading poultry, eggs, and rabbits, to make service self-supporting from fees paid by industry. Interested parties invited to submit views to Poultry Division, AMS, USDA.

\* \* \*

OF 1,900,000 VETERANS OF KOREAN WAR, 10% CAME FROM FARMS BUT ONLY 5% RETURNED TO FARMS. TREND AWAY FROM FARMS SIMILAR WITH NON-VETERANS. RESULTS OF STUDY OF KOREAN VETERANS REPORTED IN USDA INFORMATION BULLETIN NO. 120.

\* \* \*

DAIRY

USDA has just issued 150 page booklet "Cheese Varieties," naming and describing several hundred kinds of cheese, with summary of how and where each is made, and general characteristics as guide for consumers. Agricultural Handbook No. 54.

Production of creamery butter in U.S. during week ended January 21 was 26.2 million lbs., down slightly from previous two weeks, but 11% above year ago, 33% above five-year average. Cheese production same week, 15.8 million lbs., up slightly from previous week, 21% above year ago and 38% above average.

CCC last week bought 6,066,131 pounds of butter, 6,079,152 pounds of cheese, and 11,793,128 pounds of nonfat dry milk solids, to support prices of milk to dairy farmers. During same week, 72,977 pounds of cheese sold to dairy trade.

Dairy farmers fed record amounts of grain per cow in 1953, 1,676 lbs., 2% above 1952 and almost 20% above rate of feeding 10 years ago. Amount of grain per 100 pounds of milk was about average. Feed cost averaged \$1.05 per 100 pounds of milk produced, 8% below 1952. Pasture was poorest of any year since 1939, especially during late summer and fall in eastern, central, and southwestern states.

\* \* \*

CCC

CCC offers to sell following commodities for domestic consumption during February: butter, cheese, dry skim milk, cottonseed and linseed oils, peanuts, beans, flaxseed, barley, rye, corn, grain sorghums, wool, and 17 grass and legume seeds. Same commodities available for export, plus wheat, on which export allowance payment is offered. During 1953, CCC sold \$87 million worth of commodities for domestic use and \$103 million for export, out of stocks acquired through price support programs and announced each month at specified prices.

Commodity offices in Chicago, Kansas City, Minneapolis announced sales January 22-28 of 1,288,375 bus. corn for domestic use, 308,039 bus. for export; 10,000 bus. wheat for domestic use, 142,714 bus. for export; 28,144 bus. soybeans, 15,609 bus. barley, 89,043 bus. flaxseed, 4,692 cwt. edible beans, and 4,673 cwt. sweet clover seed, all for domestic use.

CCC sold 84,628 bus. of wheat for export under allowance program during week ending January 21, making total of 1,378,999 bus. sold since program began in December. Sales made by commercial concerns. Under International Wheat Agreement, export sales of wheat by grain trade was 1,377,000 bus. of wheat, during week ending January 26.

LIVESTOCK AND MEATS

\* \* \*

Meat production under Federal inspection week ended Jan. 30 estimated at 357 million lbs., down 7% from previous week, but 2% above year earlier, smallest since early Sept., except for holiday weeks. Cattle slaughter 343,000 head, 8% below preceding week, but 21% above year ago. Hog slaughter, 1,084,922 head, 4% below preceding week and 15% below year ago.

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# Food Marketing NEWSLETTER

U.S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark St., Chicago 5, Ill.

February 10, 1954

## DROUGHT RELIEF

Drought relief problems, previously concerned with livestock, caught up with people last week. County officials in "bootheel" area of southeastern Missouri asked assistance in providing food for several thousand families left without funds by last fall's short cotton crop. Federal food supplies, bought to support farm prices, immediately made available through state and county governments, aided by Red Cross. First shipment of canned beef arrived in area last Saturday, to be followed this week by shipments of butter, cheese, winter pears, dried milk.

USDA HAS SHIPPED 1,186,209 TONS OF FEED INTO DROUGHT AREA SINCE LAST SUMMER. SHIPMENTS DURING LAST WEEK OF JANUARY INCLUDED 27,659 TONS OF COTTONSEED FEED, 47,381 TONS OF CORN, 3,353 TONS OF WHEAT, 451 TONS OF OATS.

\*\*\*

## GRAINS

U.S. had 188 million bushels of soybeans on hand January 1, smallest stocks on hand at beginning of year since 1950. Breakdown of total includes 80 million bushels farm stocks, 37 million bushels at interior mills, elevators, and warehouses, 13.2 million in terminals, 58½ million at processing plants, and 286 thousand owned by CCC.

CCC last week offered to sell approximately 185 million bus. of 1948 and '49 corn at county support price, approximately 23¢ below price required by law for storable corn of later crops. Corn available through county ASC (formerly PMA) committees, to any one, for any purpose.

USDA sold 227,098 bus. wheat for export during week ended January 28, making total of 1,606,097 sold since early December under export allowance program out of CCC stocks acquired for price support. U.S. sales of wheat under International Wheat Agreement during week ended February 2, totaled 1,718,000 bus. making total of 71 million bus. sold since August 1.

CCC invited grain warehousemen to open meeting in Chicago on February 11 to discuss provisions of Uniform Grain Storage Agreement under which government-owned grain is stored in commercial warehouses.

During week ended February 5, CCC offices in Chicago, Minneapolis, and Kansas City reported sales of following grains out of stocks acquired through price support activities: 1,066,325 bushels of corn and 244,024 bushels of wheat for export; 1,346,268 bushels of corn, 18,755 bushels of wheat, 3,960 bushels of oats, 2,553 bushels of barley, 17,000 bushels of soybeans, 12,495 bushels of flaxseed, 1,501 cwt. of grain sorghum, and 3,142 cwt. of sweet clover seed for domestic use.

\*\*\*

U.S. WOOL WOULD COMPETE MORE SUCCESSFULLY WITH IMPORTED WOOL IF GIVEN BETTER PREPARATION FOR MARKETING, SAY USDA ECONOMISTS IN TECHNICAL BULLETIN 1078, "ECONOMICS OF PREPARING WOOL FOR MARKET AND MANUFACTURE," JUST ISSUED BY USDA. BULLETIN AVAILABLE FROM OFFICE OF INFORMATION, USDA, WASHINGTON.

\*\*\*

## FOREIGN CROPS AND MARKETS

World production of dry edible peas in 31 principal producing countries in 1953-4 estimated at 16.2 million bags, 6% above last year but 17% below 1945-9 average.

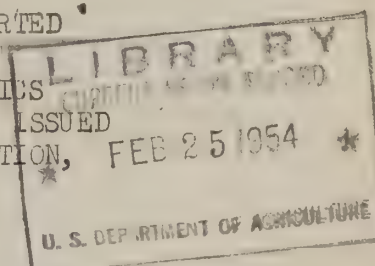
World production of cotton estimated at 36.8 bales in 1953-4, second highest on record, highest in 14 years. Acreage has decreased in U.S., Egypt, Turkey, Pakistan, Syria, but yield per acre has increased in many countries, including U.S., India, Soviet Union, Mexico.

Japan's '53 rice crop down 17% from 1952. Rice is rationed to consumers by government, at rate of 7 ounces daily per person. To meet shortage, Japan is importing increased amounts of rice, wheat, barley, encouraging consumers to "extend" rice with mixture of potato starch, wheat flour, and rice flour.

\*\*\*

## VEGETABLE SEEDS

Production of vegetable seeds in 1953, reported by 100 commercial seed growers, was 186 million lbs., smallest total in 4 years. Both acreage and yield down, compared with '52. Seed produced on 163,351 acres, compared with 169,195 acres last year.





## FRUITS AND VEGETABLES

-2-

USDA proposes changes in standards for grades of frozen mixed vegetables, green beans and wax beans, to better match official standards to commercial practices. Details available from Fruit and Vegetable Division, Agricultural Marketing Service, USDA, Washington, D.C.

U.S. consumers bought equivalent of 7,500,000 boxes of oranges during December, slightly more than year earlier. 3.7 million boxes in form of fresh fruit, about same as year earlier; 2.9 million boxes in form of frozen concentrate, 8% increase over year earlier; 791,000 boxes in form of canned juice, 15% below year earlier.

ADVISORY COMMITTEE RECOMMENDS THAT USDA DEVOTE MORE RESEARCH TO ANTIBIOTICS IN CONTROL OF FRUIT DISEASES, ESTABLISH NURSERIES TO SUPPLY VIRUS FREE TREES AND PLANTS, STUDY CAUSES OF BROWNING AND DETERIORATION OF FRUITS, LEARN MORE ABOUT NUTRIENTS IN FRUITS AND NUTS AND HOW AFFECTED BY COOKING AND PROCESSING.

\*\*\*

## DAIRY

USDA holding hearings this week in Chicago and Milwaukee to consider request of producers to prevent price drop or increase of more than 24¢ from cwt. January prices for Class I milk in Chicago, South Bend-LaPorte, Milwaukee markets dropped 24¢ from December because of relationship between supply and demand. Proposal would prevent Class I prices from dropping further.

First government-owned butter sold for experimental use as "extender" for cocoa butter in candy. Price, just under 25¢ per lb. to Chicago candy maker.

CCC last week bought 6,724,452 pounds of butter, 8,102,683 pounds of cheese, and 14,464,798 pounds of nonfat dry milk solids, to support prices of milk to dairy farmers.

U.S. production of butter during week ended January 28, 27.2 million lbs., 11% above comparable week last year. Production of American cheese in same week, 16.3 million lbs., 19% above year ago.

USDA this week offered to buy 600,000 pounds of processed cheddar cheese, packed in five-pound loaves, to be distributed to schools and public institutions.

\*\*\*

## POULTRY

Production of poultry meat of all kinds in 1953 was 3.8 billion pounds, slightly more than '52.

Broiler producers used 737 million baby chicks, average of about 14 million weekly, with peak of 16 million and low of 11 million per week. Production concentrated in 14 areas, mostly in East and South. Federal inspectors certified 811 million lbs. of poultry for evisceration, compared with 700 million in '52. Canning industry used 185 million lbs. compared with 193 million previous year.

\*\*\*

U.S. MEAT PRODUCTION IN 1953 LARGEST ON RECORD.  
23.2 BILLION POUNDS (EXCLUDING FARM SLAUGHTER.)  
BEEF PRODUCTION NEW RECORD, 12 BILLION POUNDS,  
PORK ALMOST 9 BILLION, VEAL 1.4 BILLION, LAMB AND  
MUTTON 718 MILLION POUNDS. COMPARED WITH '52; BEEF  
UP 29%, VEAL UP 40%, LAMB UP 14%, PORK DOWN 13%.

Meat production under Federal inspection during week ended February 6, 333 million lbs., decrease of 7% from previous week and 1% from year ago. Cattle slaughter 7% below previous week, but 16% above year ago. Hog slaughter 9% below week ago and 17% below year ago. Production for first five weeks of 1954 is 31 million lbs. below first five weeks of '53; increased beef production not enough to balance decrease in pork.

\*\*\*

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# Food Marketing NEWSLETTER

U. S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark St., Chicago 5, Ill.

February 17, 1954

## FOOD SITUATION

Nation is eating better than ever. Total food consumption in 1953 was 4% above 1952, 47% above pre-war average; per capita consumption 1% above '52, 12% above pre-war. Prospects for first half of '54: plenty of food, although some changes compared with first half of '53: more chicken, eggs, dairy products, shortening, fruit, potatoes, sweet potatoes, and canned vegetables; less meat, fish, lard and fresh vegetables, but no shortages of any important foods. Meat production expected to increase last half of year to about same level as record high of '53.

U. S. consumers spent \$44 billion for U.S.-produced food last year; farmers received \$19.5 billion, marketing costs between producer and consumer took \$24.5 billion. Farmer's share of consumer's dollar dropped to 45¢ from 47¢ year before. "Family market basket" used by USDA economists to measure yearly food costs of average family dropped to \$1,002 from \$1,028 in '52. Most of decrease in price of meats.

\*\*\*

USDA'S MIDWEST PLENTIFUL FOODS LIST FOR MARCH: POTATOES, DAIRY FOODS, GRAPEFRUIT AS FEATURED ITEMS. FRESH AND PROCESSED ORANGES, WINTER PEARS, CRANBERRY SAUCE, RAISINS, BROILERS AND FRYERS, EGGS, BEEF, FOOD FATS AND OILS, ONIONS, PEANUTS, PEANUT BUTTER, AND PINTO AND RED KIDNEY BEANS.

\*\*\*

## DAIRY

Secretary of Agriculture Benson announced this week milk prices will be supported at 75% of parity during 12-months beginning April 1, drop from 90% level during present year. Exact price which will be paid for butter and cheese to be announced later, but generally expected butter will drop about 8¢, cheese 4¢ per pound. 75% is lowest level at which law permits milk and butterfat prices to be supported.

Milk production in 1953 reached new high record, over 121 billion pounds.

Government purchases of butter, cheese, and nonfat dry milk solids to support milk prices to farmers have built up stocks of about 265 million pounds of butter, 277 million pounds of cheese, and 461 million pounds of nonfat dry solids, costing \$377 million, made from about 8 billion pounds of fluid milk, 6% of year's milk production.

Number of dairy cows on farms at beginning of this year was 24.7 million, compared with 24.0 million year ago.

Nation's creameries produced 27.9 million pounds of butter during week ended February 11, 12% above year ago, 1% above previous week. During same week, USDA bought 8,301,074 lbs. butter, 8,374,163 lbs. cheese, and 12,750,749 lbs. nonfat dry milk solids.

\*\*\*

USDA WILL NOT BUY POTATOES THIS WINTER OR SPRING TO IMPROVE PRICES: INDUSTRY ADVISORS FEAR PURCHASE PROGRAM WOULD RESULT IN INCREASED ACREAGE, REPEATING OVER-SUPPLY NEXT FALL AND WINTER.

\*\*\*

## POULTRY

Nation's hens laid 5,448 million eggs in January - new record for month. Production up in all except East North Central and South Central states, where just slight decrease reported.

Average hen laid 14.2 eggs during January compared with 14.5 year earlier, but total chicken population, 439 million, was 2% above year earlier.

Prices received by farmers for eggs in mid-January averaged 46.3 cents per dozen compared with 48.5 cents in December and 45.8 cents a year ago.

Poultry raisers told USDA on January 1 they plan to buy about same number of baby chicks as last year although Midwest poultrymen plan decrease of 6%. About 48% of chicks will be sexed, compared with 47% last year.

\*\*\*

## MARGARINE

Census Bureau reports production of margarine in U.S. during 1953 was 1,291 million lbs. USDA reports production of creamery butter was 1,424 million lbs.

\*\*\*

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### COLD STORAGE

More frozen vegetables went out of cold storage during January than in any month on record, and withdrawals of frozen fruits were greater than any other January, despite increase in frozen stocks of concentrated orange juice. Butter in storage increased to 294 million pounds, but cheese stocks dropped 6 million pounds. Meat in storage, 759 million pounds, about one-fourth less than year ago.

Cooler	Holdings	Net Change	Freezer	Holdings	Net Change
Commodities	Jan. 31	during Jan.	Commodities	Jan. 31	during Jan.
	1,000 lb.	1,000 lb.		1,000 lb.	1,000 lb.
Apples	714,960	- 239,952	Cream	7,883	- 1,961
Pears	59,750	- 36,800	Butter, creamery	293,842	+ 12,140
Other fresh fruits	70,679	-29,179	Eggs	37,524	- 4,506
Fresh vegetables	121,165	- 15,322	Poultry	265,618	-10,269
Dried & evap.fts.	32,221	- 1,214	Fruits	326,728	- 30,072
Nuts & nutmeats	121,018	+18,852	Juices	265,435	+ 53,330
Cheese	425,354	- 6,654	Vegetables	629,171	- 75,415
Other dairy prod.	21,233	-24,680	Beef	218,966	- 22,726
Shell eggs	3,420	- 585	Veal	19,310	- 1,304
Dried eggs	1,053	- 167	Pork	270,759	+51,498
Beef	8,467	+ 1,105	Lamb & mutton	11,650	- 582
Pork	118,472	+ 11,635	Edible offal	58,890	- 361
Sausage	8,927	+ 390	Sausage	6,080	+ 2
Canned meats	37,242	+ 3,220	Miscellaneous	196,516	- 21,184
Miscellaneous	248,151	+ 1,139			
Total	1,992,112	-318,212	Total	2,608,372	- 51,410

\*\*\*

USDA ENLISTING COOPERATION OF GROCERS, EDITORS, BROADCASTERS IN PROMOTING SALE OF CABBAGE IN LATE FEBRUARY BECAUSE OF LARGE SUPPLY OF OLD AND NEW CABBAGE ON MARKET, RESULTING IN DISASTROUSLY LOW PRICES TO GROWERS.

\*\*\*

### GRAINS

Farmers put record 476 million bushels of 1953 wheat under price support up to January 15, with 16 more days to apply. Corn under loan on January 15, was 208 million bushels, with loans available to end of May. Most was in Iowa, 73 million, with 30 million in Illinois, 27 million in Minnesota, 20 million in Nebraska.

\*\*\*

USDA ANNOUNCES PLANS TO SEND TRADE MISSIONS TO EUROPE ASIA AND LATIN AMERICA IN MARCH AND APRIL TO STUDY POSSIBILITIES OF EXPANDING TRADE IN FARM PRODUCTS.

\*\*\*

### LIVESTOCK AND MEATS

U.S. had 1% less livestock on farms January 1 than year earlier. Cattle numbers continued to climb, contrary to some expectations, reaching record of 94.6 million head, of which 24.7 million were dairy cows. Hog numbers dropped to 48.1 million, 6 million below year earlier and 15 million under January 1, 1952. Sheep continued downward trend, to 30.9 million.

Meat production under Federal inspection during week ended February 13, estimated at 335 million pounds, 1% above previous week but 2% below year ago. Cattle slaughter, 330,000 head, 3% above previous week, and 14% above year ago. Hog slaughter continued five-week decline to 957,000 head, 3% below previous week, 18% below year ago.

\*\*\*

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# Food Marketing NEWSLETTER

U. S. Department of Agriculture  
Midwest Area Information Office

Agricultural Marketing Service  
536 S. Clark St., Chicago 5, Ill.

February 24, 1954

## CCC

James A. McConnell, Ithaca, N.Y., named administrator of Commodity Stabilization Service of USDA, succeeding Howard H. Gordon, who returns to former position with Southern States Cooperative at Richmond, Va. Mr. McConnell has been top official of GLF, farmer cooperative in northeastern states. True D. Morse, Under-Secretary, nominated to succeed Gordon as President of Commodity Credit Corporation, which provides financing for price support program operated by CSS.

CCC HAS CUT INTEREST RATE ON PRICE SUPPORT LOANS  
FOR 1954 CROPS BY ONE HALF PERCENT, TO 3.5%, IN  
LINE WITH RECENT TREND ON SHORT TERM LOANS.  
FARMER PAYS INTEREST ON PRICE SUPPORT LOAN ONLY  
WHEN HE REPAYS IT TO REDEEM CROPS PUT UP AS  
COLLATERAL. NO INTEREST CHARGE ON CROPS SURRENDERED  
TO CCC.

\* \* \*

## DAIRY

New support price for milk will be \$3.14 per cwt. and 56¢ per pound for butterfat. In order to provide those prices to farmers, CCC will buy butter at 57½¢, cheese at 32¼¢, spray process dry skim milk at 15¢ and roller process dry skim milk at 13¼¢ during 12 months beginning April 1. Butter will be priced about 8¢ and cheese 5¢ below present support levels. New prices represent 75% of parity, compared with 90% represented by present support program.

USDA has proposed limiting effect of supply-demand provisions of Federal milk market orders in Chicago, Milwaukee, South Bend-LaPorte, to keep prices for Class I milk from dropping further because of large supply in relation to amount of fluid milk consumed. In recent months, price provisions of Federal orders have caused dairymen producing Grade-A milk to receive less than dairymen producing lower quality milk for manufacturing.

USDA bought 600,000 pounds of processed cheese and 720,360 pounds of nonfat dry milk solids packed in 4½ pound packages last week, to be distributed to school lunches and public institutions. USDA sold another carlot of 30,000 lbs. of butter to Chicago candy manufacturer for experiments in using dairy butter as extender for cocoa butter. Five carlots now have been sold for this purpose.

USDA last week sold 51,300 pounds of skim milk powder as animal feed and 7,844 pounds of sweepings.

During week ended February 19, USDA bought 8,717,272 pounds of butter, 7,978,875 pounds of cheese, and 14,186,733 pounds of nonfat dry milk solids, to support price of milk to dairy farmers.

\* \* \*

FLUID MILK PRICES WENT DOWN IN EARLY FEBRUARY,  
FARMERS AND CONSUMERS. AVERAGE PRICE OF MILK  
DELIVERED TO HOMES 22.9¢ -- 0.2¢ BELOW JANUARY AND  
0.4¢ BELOW YEAR AGO. FARMERS RECEIVED \$5.03 PER  
CWT. FOR CLASS I MILK, 8¢ BELOW JANUARY AND 37¢  
BELOW YEAR AGO.

\* \* \*

## DROUGHT RELIEF

During week ended February 12, USDA shipped 9,057 tons of cottonseed feed, 67,653 tons of corn, 3,512 tons of feed wheat, and 246 tons of oats out of CCC stocks into drought-stricken areas. Cumulative totals: 555,661 tons of cottonseed feed, 497,751 tons of corn, 34,958 tons of wheat, and 213,032 tons of oats.

USDA refuses to recommend Federal funds for restoring pastures in drought areas. Estimates 39 million acres needs restoring, with seed, lime and fertilizer costing about \$308 million. Missouri Congressmen had requested Federal aid for pasture restoration.

\* \* \*

## FRUITS, NUTS

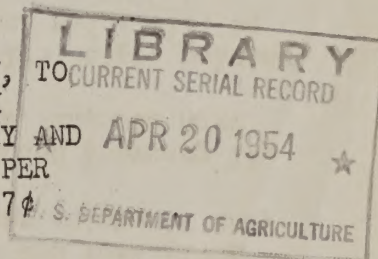
"Production, Farm Disposition and Value, Principal Fruits and Tree Nuts" just issued by USDA, covering seasons of 1952 and '53. Report shows nation's fruit growers harvested 92 million bus. of apples, 64 million bus. of peaches, 29 million bus. of pears, 2.6 million tons of grapes, 125,000 tons of cherries last year.

\* \* \*

## SEEDS

USDA announced sale of 14,460,000 pounds of common vetch seed for export; last of common vetch seed which CCC acquired under price support program.

\* \* \*





SUGAR

Refiners and importers distributed about 134,000 tons of sugar during week ended February 13, about same as comparable week of year ago. Cumulative total since January 1, 742,000 tons of rawsugar, compared with about 870,000 tons during comparable period of last year and 833,000 tons two years ago.

U. S. CONSUMERS HAD 8,435,000 TONS OF SUGAR AVAILABLE IN 1953, 4% MORE THAN IN 1952. RETAIL PRICE AVERAGED 10.6¢ PER POUND, 0.3¢ HIGHER THAN IN 1952.

\* \* \*

GRAINS

USDA reports European corn borer more of threat to U.S. corn crop than ever before. Center of heaviest infestation is in central Illinois and in counties where Iowa, Nebraska, South Dakota join. Infestation in Corn Belt states averages about one borer per stalk. Borers now found from Maine to Colorado, Montana to Georgia.

Wheat growers anywhere in U. S. who planted more acres than their allotments may get into compliance with marketing quota and become eligible for price support by cutting or plowing under wheat before it matures. New ruling announced last week by CCC officials.

Wheat growers in four states, Indiana, Ohio, Michigan, and New York given permission last week to deliver wheat now under loan before loans mature if they want to. Permission had been requested by farmers.

CCC sold 233,968 bushels of wheat for export during week ended February 11, under export allowance program. Since program began in December, exports have been 2,126,100 bushels, about two-thirds shipped as flour.

CCC will use 180 more ships for storing wheat. Now using 125 ships, holding about 28 million bushels, in Hudson and James Rivers. Additional ships will be in James River, Astoria, Oregon and Olympia, Washington.

USDA will charge more for appeal inspections of grain, beginning June 1, in effort to make service self supporting.

U.S. sold 3,053,000 bushels of wheat under International Wheat Agreement, during week ended February 16. Yugoslavia, Netherlands, Mexico, and Japan were principal purchasers. Since end of June, IWA sales have totaled just under 78 million bus., including about 17 million each of soft and hard red winter, 26 million of white, 1 million mixed, and 390,000 bushels of hard red spring.

Grain receipts at principal markets week ended February 18 compared with year earlier in parentheses: wheat, 5.6 million (4 million); corn 7 million (4 million), oats 1 million (1.2 million), barley 3.3 million (1.9 million).

\* \* \*

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\* \* \*

POULTRY

USDA will increase fees for inspection and grading of poultry and eggs, effective April 1. Boost in rates is part of government-wide effort to make service self-supporting, rather than being supported part by taxes, part by fees.

\* \* \*

LIVESTOCK

CCC has sold about 6.9 million pounds of 1952-crop wool out of 100 million lbs. taken over last May. About 2.2 million pounds sold for export. Wool producers had put 30 million pounds of 1953 clip under price support, appraised at \$17.7 million.

Meat production under Federal inspection during week ended February 20 estimated at 350 million pounds, 4% above previous week, 4% below year ago. Hog slaughter went above million head for first time this month, 5% above previous week, 14% below year ago. Cattle slaughter 351,000 head, 6% above previous week and year ago.

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